



Los Angeles County  
Board of Supervisors

Hilda L. Solis  
First District

Mark Ridley-Thomas  
Second District

Sheila Kuehl  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

March 01, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO SOLE SOURCE AGREEMENT  
NO. H-704368 WITH SAGA TECHNOLOGIES, INC.  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( )  
DISAPPROVE ( )**

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

**SUBJECT**

*To ensure access to high-quality,  
patient-centered, cost-effective  
health care to Los Angeles County  
residents through direct services at  
DHS facilities and through  
collaboration with community and  
university partners.*

Approval of Amendment No. 2 to existing Agreement No. H-704368 with Saga Technologies, Inc. for operations and maintenance services at County Medical Hubs to extend the term, amend the statement of work, increase the contract sum, and update the Agreement to add terms and conditions applicable to the services provided to the County of Los Angeles.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 2 (Amendment) to Agreement No. H-704368 (Agreement) with Saga Technologies, Inc. (Saga), to extend the Agreement for three additional years with two subsequent one-year automatic extended terms through March 31, 2021, with an increase of \$2,838,977 to the contract sum, including \$500,000 in pool dollars for ongoing operations and maintenance services and additional work as described in the Agreement.
2. Delegate authority to the Director, or his designee, to effectuate actions



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related to renewal terms, change notices, and to execute future amendments to: (i) add, delete, and/or change non-substantive terms and conditions in the Agreement and/or make any necessary changes as required by applicable laws; (ii) modify the statement of work to reflect County standards and needs, reduce scope, and add/remove County Medical Hubs; (iii) approve additional operational and administrative workflow changes, including modifications to DHS protocols and policies reflected in the Agreement and scope of work; and (iv) approve annual Cost of Living Adjustments (COLAs), at the Director's discretion, consistent with the Board's COLA policy, with all actions subject to the review and approval of County Counsel.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Under the current Agreement, Saga expanded and augmented the custom-built mHUB system, used at LAC+USC Medical Center, to what it is today - an Enterprise mHUB System (E-mHUB). E-mHUB was implemented throughout the six County Medical Hubs, namely Harbor-UCLA Medical Center, High Desert Regional Health Center, LAC+USC Medical Center, Martin Luther King, Jr. Outpatient Center, Olive View-UCLA Medical Center, and LAC+USC East San Gabriel Valley satellite location at MacLaren Children's Center (collectively known as "Medical Hub(s)"), enabling them to realize the operational efficiencies gained from using the system.

E-mHUB facilitates the Medical Hubs' coordination of medical services for children referred by the Department of Children and Family Services (DCFS), including initial medical examinations, forensic evaluations, mental health screenings, and ongoing medical care. E-mHUB allows end users to receive DCFS' electronic patient referrals; tracks patient and provider appointment schedules; captures patient medical and forensic information; obtains necessary medical information faster and more efficiently; generates electronic PDF versions of forms, reports, and examination results; provides notification of missed appointments; views a child's medical information from one Medical Hub to another Medical Hub, which enhances the child's treatment and improves continuity of care; allows Public Health nurses located at DCFS offices to view limited E-mHUB screens to obtain and input DCFS' case management system follow-up information to better coordinate the child's care; and ensures access to health information is in compliance with State and Federal confidentiality and privacy laws.

### **Recommendations**

Approval of the first recommendation will allow the Director, or his designee, to execute an amendment to extend the existing Agreement with Saga for uninterrupted operations and maintenance services and ongoing provision of additional work for E-mHUB. The current Agreement expires March 30, 2016. These critical services will allow DHS to continue maintaining, supporting, and enhancing this custom-built system. In the absence of E-mHUB, the Medical Hubs would be forced to revert back to time-consuming and error-prone manual interventions such as redundant data entry, phone calls, and faxes. With respect to additional work, Saga continues to provide application enhancements based on the recommendations of an interdepartmental County workgroup that regularly convenes to develop and prioritize enhancements of E-mHUB to ensure that end users continue to leverage the latest available technology. DHS will also assess the feasibility of: a) incorporating E-mHUB functionality in the DHS Electronic Health Record system known as the Online Realtime Centralized Health Information Database (ORCHID); b) interfacing E-mHUB with ORCHID; or c) maintaining E-mHUB as a standalone case management solution.

Approval of the second recommendation will allow the Director, or his designee, to amend the Agreement to perform administrative contractual changes as required by applicable law, and as

required by the Board or Chief Executive Office (CEO), to implement modifications to the Agreement and statement of work (e.g., reduction of scope, addition and removal of Medical Hubs, etc.) in accordance with the Agreement's terms and conditions, and approve an annual COLA to the Agreement's operations and maintenance fees, at the Director's discretion, in accordance with Board Policy No. 5.070, Multi-Year Services Contract Cost of Living Adjustments. The second recommendation will also delegate authority to the Director, or his designee, to authorize actions related to automatic extensions, including the transmittal of written notice to Saga of the County's intent not to exercise the automatic extended terms as described in the Agreement.

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 1 – Operational Effectiveness/Fiscal Sustainability; Goal 2 – Community Support and Responsiveness; and Goal 3 – Integrated Services Delivery of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The Contract Sum with Saga under the Agreement will increase by \$2,838,977 from \$4,614,194 to \$7,453,171 for the Agreement period ending on March 31, 2021.

Funding is included in the Department's Fiscal Year (FY) 2015-16 Final Budget and will continuously be requested in future fiscal years, as needed.

The costs under this Amendment will cover ongoing maintenance services and additional work, which will be funded through DHS' Cost-Based Reimbursement Clinic Medi-Cal Revenues for eligible costs and intra-fund transfer funds from DCFS.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Board approved the Agreement with Saga on March 30, 2010 for an initial term through March 30, 2015, allowing DHS to enhance the mHUB system which was the immediate predecessor to the present-day E-mHUB. Multiple intradepartmental County departments including DHS, DCFS, Department of Mental Health (DMH), and Department of Public Health (DPH) collaborated extensively to develop, customize, and enhance E-mHUB. E-mHUB is a custom-built proprietary software solution that has been exclusively developed for the County to coordinate the administration and care of DCFS-involved children. E-mHUB is hosted by the Internal Services Department (ISD). DHS has exercised an optional year to extend the Agreement term through March 30, 2016.

During the Amendment review process, DHS consulted the CEO's Risk Management Branch to reassess the Agreement's insurance coverage requirements. The recommended Amendment includes standard technology errors and omissions coverage with a limit of \$2 million, which was deemed adequate since ISD hosts E-mHUB, not Saga.

The Agreement includes all Board of Supervisors' required provisions, including the most recent provision Time Off for Voting, and the County's standard COLA provision. At the Director's discretion, a COLA may be granted annually to Saga for the System's operations and maintenance fees, in accordance with Board Policy No. 5.070, Multi-Year Services Contract Cost of Living Adjustments. Saga held pricing firm for the entire six year Agreement term and requested COLA language be included in the extension. The Agreement may be terminated for convenience by the

County upon a thirty (30) day prior written notice.

County Counsel has approved the Amendment (Exhibit I) as to form. The Chief Information Officer concurs with the Department and a CIO Analysis is not required since this recommended action does not include any new technology-related matters. This Amendment is requesting an extension to the Agreement term to provide ongoing operations and maintenance services.

Saga provides services that are highly specialized and proprietary, and not available by the County. Therefore, this Agreement is not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201), and is exempt from Proposition A (Los Angeles County Code Chapter 2.121).

### **CONTRACTING PROCESS**

The E-mHUB emerged from the Board's May 2006 Motion by Supervisor Burke, which instructed the Chief Information Office, CEO, DHS, DCFS, DMH, and County Counsel to explore the feasibility of implementing an enterprise-wide automated data solution for the County's Medical Hubs. The Board approved a Sole Source Agreement with Saga on March 30, 2010 to expand the m-HUB system at use at the LAC+USC Medical Center Medical Hub and implement the enhanced system, dubbed E-mHUB, as an enterprise-wide solution.

On September 28, 2015, the Department advised the Board of its intent to extend this Sole Source Agreement (Attachment A), in accordance with revised Board Policy No. 5.100, Sole Source Contracts.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will enable DHS to continue tracking the health and mental health status of this vulnerable patient population at the County Medical Hubs by means of the E-mHUB system, which improves coordination of quality medical care.

The Honorable Board of Supervisors

3/1/2016

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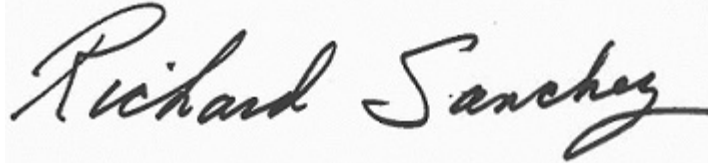
Respectfully submitted,

Handwritten signature of Mitchell H. Katz in black ink.

Mitchell H. Katz, M.D.

Director

Reviewed by:

Handwritten signature of Richard Sanchez in black ink.

RICHARD SANCHEZ

Chief Information Officer

MHK:jl

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors  
Department of Children and Family Services  
Department of Mental Health  
Internal Services Department



**Health Services**  
LOS ANGELES COUNTY

September 28, 2015

Los Angeles County  
Board of Supervisors

Hilda L. Solis  
First District

Mark Ridley-Thomas  
Second District

Sheila Kuehl  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

TO: Mayor Michael D. Antonovich  
Supervisor Hilda L. Solis  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.  
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO EXTEND AN  
EXPIRING SOLE SOURCE AGREEMENT, NUMBER  
H-704368, WITH SAGA TECHNOLOGIES, INC.**

Mitchell H. Katz, M.D.  
Director

Hal F. Yee, Jr., M.D., Ph.D.  
Chief Medical Officer

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

This is to advise the Board that the Department of Health Services (DHS or Department) intends to return to the Board within the next six (6) months to request Board approval to amend an existing Sole Source Agreement with Saga Technologies, Inc. (Saga) to extend ongoing maintenance services and Additional Work of the Enterprise Medical Hub (E-mHUB) System. Board Policy No. 5.100 requires at least six months prior written notice to the Board of a department's intent to enter into sole source negotiations for an extension of a Board-approved Sole Source Agreement. This Agreement expires on March 30, 2016.

### BACKGROUND

The Department operates six (6) outpatient clinics called Medical Hubs at Harbor-UCLA Medical Center, High Desert Regional Health Center, LAC+USC Medical Center, Martin Luther King, Jr. Outpatient Center, Olive View-UCLA Medical Center, and LAC+USC East San Gabriel Valley satellite location at MacLaren Children's Center that assist children involved with the Department of Children and Family Services (DCFS). These clinics provide ongoing health care, medical assessments for children suspected of child abuse and neglect, and medical exams for children entering foster care.

Prior to the establishment of the E-mHUB System, communication between the Medical Hub Clinics and DCFS was inefficient and inadequate. Staff relied on phone calls, faxes, and manual data entry

*To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.*

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which were time consuming and prone to errors. On May 16, 2006, on Motion by Supervisor Burke, the Board of Supervisors instructed the Chief Information Officer (CIO), Chief Executive Office (CEO), County Counsel, DCFS, DHS, and the Department of Mental Health (DMH) to explore the feasibility of the development of a cost-effective data system for the Medical Hub Clinics. One Medical Hub at LAC+USC Medical Center had implemented Saga's mHUB, a proprietary standalone custom application, to track patient data and appointments. The mHUB system contained essential patient information, such as medical and forensic information and records, tracked patient and provider appointment schedules, and supported the LAC+USC Medical Hub workflows.

After extensive analysis, an interdepartmental workgroup concluded that the most feasible and cost-effective option to meet the business needs of both DHS and DCFS, was to enhance the mHUB system, exclusively used at the LAC+USC Medical Hub, to an E-mHUB System for use at all the six (6) DHS Medical Hubs. On September 11, 2008, the Board was notified of DHS' intent to enter into sole source negotiations with Saga. On March 30, 2010, the Board approved a Sole Source Agreement with Saga for a perpetual license to use the E-mHUB software application including maintenance and additional work for use at all six (6) DHS Medical Hubs for a term of five years and an additional optional one-year extension through March 30, 2016. The E-mHUB System was fully implemented in Spring 2011. The E-mHUB System is a web-based application hosted by the Internal Services Department in Downey, California. Expansion to an enterprise solution provided the six (6) DHS Medical Hub clinics with a means to provide a cost-effective data system for the Medical Hub Clinics by keeping better track of patient and provider appointment schedules, capturing medical and forensic information, and supporting interdepartmental workflows in a secure application.

The E-mHUB System was a Top Ten Award winner for the County of Los Angeles (County) 2012 Productivity and Quality Awards for its excellence in improving coordination of care for the County's DCFS-involved children. In Fiscal Year (FY) 2014-15, the DHS Medical Hub Clinics provided a total of 33,742 visits; these children have greatly benefitted from the improved coordination of care provided through the E-mHub System.

#### JUSTIFICATION

DHS is recommending an extension to the E-mHUB Agreement with Saga to continue to provide care for DCFS-involved children at the six (6) DHS Medical Hub clinics. The E-mHUB System is a proprietary software product that has been developed exclusively for the County. The County has devoted significant resources to the E-mHUB System. County staff from multiple departments have participated extensively in the development, customization, and enhancement of the E-mHUB System. From October 2008 to June 2009 and from May 2010 to December 2011, a workgroup consisting of five to six key DHS and DCFS staff and approximately 20 staff from all six DHS Medical Hubs, DCFS, DMH, Department of Public Health (DPH), and Saga met weekly contributing many hours to enhance the mHUB System which ultimately developed into the E-mHUB System.

The extension of the E-mHUB System Agreement with Saga will enable the Department to continue to provide the following for DCFS-involved children:

- Receive DCFS electronic patient referrals;
- Track patient and provider appointment schedules;
- Capture patient medical and forensic information;
- Obtain necessary medical information faster and more efficiently;
- Generate electronic PDF versions of forms, reports, and examination results;
- Provide notification of missed appointments;
- View a child's medical information from one Medical Hub to another Medical Hub, which enhances the child's treatment and improves continuity of care;
- Allow Public Health nurses located at DCFS offices to view limited E-mHUB screens to obtain and input DCFS' case management system follow-up information to better coordinate the child's care; and
- Ensure access to health information is in compliance with State and Federal confidentiality and privacy laws.

A workgroup continues to convene multiple times each year to develop and prioritize enhancements of the E-mHUB System. If this Agreement is not extended beyond March 2016, maintenance and additional services, which provides for preservation, enhancement, and warranty to the E-mHUB System, will terminate. Continued use of the E-mHUB System without updated maintenance could make County data susceptible to security breaches due to outdated software applications in the E-mHUB System. Eventually, to mitigate this potential security breach, the coordination of health care services provided by the six (6) DHS Medical Hub clinics for DCFS-involved children will revert back to time consuming phone calls, faxes, manual data entry, and the possibility of significant errors. Furthermore, the County would no longer afford the support services necessary to effectively maintain, use, or enhance the E-mHUB System. Most importantly, Saga's involvement in the development of the E-mHUB System to what it is today and their technical support and expertise of the System will cease.

DHS has conducted a search of comparable products and is unable to find another vendor or system that can perform or provide the functionality required for the E-mHUB System. Saga has developed the E-mHUB System that is unique to Los Angeles County that includes input and development from multiple County departments. Saga is the only vendor that could efficiently and economically update, maintain, support, and customize modifications to the current E-mHUB System. As a result of the County's and Saga's collaboration and development of E-mHUB System, it is not possible that there are other software companies that have developed a System similar to the E-mHUB System used by the six (6) DHS Medical Hub Clinics to serve children involved with the DCFS.



CLOSING

Consistent with the new Sole Source Board policy, I am informing the Board of my intention to proceed with an amendment with Saga. If no objection is received from the Board, we will proceed with the contract extension.

If you have any questions or require additional information, please let me know or your staff may contact Kathy Hanks, Director, Contracts and Grants Division, at (213) 240-7819.

MHK:lr

c: Chief Executive Office  
Executive Office, Board of Supervisors  
County Counsel  
Chief Information Office

REVIEWED BY:

Richard Sanchez *pkc*  
Richard Sanchez  
Chief Information Officer

9/30/15  
Date

Agreement No.: H-704368

CONTRACT BY AND BETWEEN COUNTY OF LOS ANGELES  
AND SAGA TECHNOLOGIES, INC.

Amendment No. 2

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016,

By and between

COUNTY OF LOS ANGELES  
(hereafter "COUNTY"),

And

SAGA TECHNOLOGIES, INC.  
(hereafter "CONTRACTOR")

Business Address:  
805 W. Duarte Rd., Suite 108  
Arcadia, CA 91007

WHEREAS, reference is made to that certain document entitled "Contract By And Between County Of Los Angeles And Saga Technologies, Inc.," dated May 4, 2010, and further identified as Agreement No.: H-704368, and any amendments thereto (all hereafter referred to as "Agreement") and,

WHEREAS, it is the intent of the parties hereto to amend Agreement to extend its term, to increase the Agreement amount by \$2,838,976.90, not to exceed a total contract cost of \$7,453,170.45, and to provide for the other changes set forth herein; and

WHEREAS, it is the intent of the parties hereto to amend the Agreement to update certain terms and conditions to the Agreement, and to provide for the other changes set forth herein; and

WHEREAS, Agreement provides that changes in accordance to Paragraph 8.0, Change Notices and Amendments, may be made in the form of an Amendment which is formally approved and executed by the parties.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. This Amendment shall commence and be effective upon execution.
2. Agreement, Paragraph 6.0, Term of Agreement, Sub-Paragraph 6.1 is deleted in its entirety and replaced as follows:

"6.1 TERM:

6.1.1 The Term of this Agreement shall be nine (9) years commencing on the Effective Date and shall continue in full force and effect through March 31, 2019, unless sooner terminated or extended, in whole or in part, as provided in this Agreement ("Initial Term"). The Term of this Agreement may be extended for two additional one-year periods (each an "Extended Term"). The exercise of the Extended Term shall be documented in accordance with the Paragraph 8.0 (Change Notices and Amendments).

6.1.2 Each Extended Term shall be exercised automatically by the COUNTY, unless COUNTY provides CONTRACTOR written notice of non-renewal at least thirty (30) days before the expiration of the applicable Term."

3. Agreement, Paragraph 6.0, Term of Agreement, is modified to add Sub-Paragraph 6.4, Contractor Alert Reporting Database, as follows:

"6.4 CONTRACTOR ALERT REPORTING DATABASE:

The COUNTY maintains databases that track/monitor CONTRACTOR performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the COUNTY will exercise an Agreement term extension option."

4. Agreement, Paragraph 7.0, Contract Sum; Pricing; Invoices and Payments, is modified to add Sub-Paragraph 7.9, Cost of Living Adjustments (COLA's), as follows:

"7.9 COST OF LIVING ADJUSTMENTS (COLA's):

If requested by the CONTRACTOR, the Agreement's Operations and Maintenance Fees amount may, at the sole discretion of the COUNTY, be increased annually based on the most recently published percentage change in the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the 12-month period preceding the Agreement anniversary date, which shall be the effective date for any Cost of Living Adjustment (COLA). However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Executive Officer as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County employee salaries, no COLA will be granted. Further, before any COLA increase shall take effect and become part

of this Agreement, it shall require a written amendment to this Agreement in accordance with Paragraph 8.0 (Change Notices and Amendments).

5. Agreement, Paragraph 12.0, Termination, Sub-Paragraph 12.3 is deleted in its entirety and replaced as follows:

**“12.3 TERMINATION FOR IMPROPER CONSIDERATION:**

12.3.1 The COUNTY may, by written notice to the CONTRACTOR, immediately terminate the right of the CONTRACTOR to proceed under this Agreement if it is found that consideration, in any form, was offered or given by the CONTRACTOR, either directly or through an intermediary, to any COUNTY officer, employee, or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Agreement or the making of any determinations with respect to the CONTRACTOR's performance pursuant to this Agreement. In the event of such termination, the COUNTY shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

12.3.2 The CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made either to the COUNTY manager charged with the supervision of the employee or to the COUNTY Fraud Hotline at (800) 544-6861 or [www.lacountyfraud.org](http://www.lacountyfraud.org).

12.3.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.”

6. Agreement, Paragraph 13.0, Standard Terms and Conditions, Sub-Paragraph 13.12 is deleted in its entirety and replaced as follows:

**“13.12 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS:**

13.12.1 Should the CONTRACTOR require additional or replacement personnel after the effective date of this Agreement, the CONTRACTOR shall give consideration for any such employment openings to participants in the COUNTY's Department of Public Social Services (DPSS) Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who

meet the CONTRACTOR's minimum qualifications for the open position.—For this purpose, consideration shall mean that the CONTRACTOR will interview qualified candidates. The COUNTY will refer GAIN/GROW participants by job category to the CONTRACTOR. The Contractors shall report all job openings with job requirements to: [GAINGROW@dpss.lacounty.gov](mailto:GAINGROW@dpss.lacounty.gov) to obtain a list of qualified GAIN/GROW job candidates.

13.12.2 In the event that both laid-off COUNTY employees and GAIN/GROW participants are available for hiring, COUNTY employees shall be given first priority.

7. Agreement, Paragraph 13.0, Standard Terms and Conditions, Sub-Paragraph 13.23 is deleted in its entirety and replaced as follows:

**“13.23 INDEMNIFICATION:**

The CONTRACTOR shall indemnify, defend and hold harmless the COUNTY, its Special Districts, elected and appointed officers, employees, agents and volunteers (“COUNTY Indemnitees”) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the COUNTY Indemnitees.”

8. Agreement, Paragraph 13.0, Standard Terms and Conditions, Sub-Paragraph 13.24 is deleted in its entirety and replaced as follows:

**“13.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE:**

Without limiting the CONTRACTOR's indemnification of the COUNTY, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, the CONTRACTOR shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sub-Paragraphs 8.29 and 8.30 of this Agreement. These minimum insurance coverage terms, types and limits (the “Required Insurance”) also are in addition to and separate from any other Contractual obligation imposed upon the CONTRACTOR pursuant to this Agreement. The COUNTY in no way warrants that the Required Insurance is sufficient to protect the CONTRACTOR for liabilities which may arise from or relate to this Agreement.

13.24.1 Evidence of Coverage and Notice to COUNTY

- Certificate(s) of insurance coverage (Certificate) satisfactory to the COUNTY, and a copy of an Additional Insured endorsement confirming the COUNTY and its Agents (defined below) has been given Insured status under the CONTRACTOR's General Liability policy, shall be delivered to the COUNTY at the address shown below and provided prior to commencing services under this Agreement.
- Renewal Certificates shall be provided to the COUNTY not less than 10 days prior to the CONTRACTOR's policy expiration dates. The COUNTY reserves the right to obtain complete, certified copies of any required CONTRACTOR and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the CONTRACTOR identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any COUNTY required endorsement forms.
- Neither the COUNTY's failure to obtain, nor the COUNTY's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the CONTRACTOR, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
 Department of Health Services  
 Contracts and Grants Division  
 313 N. Figueroa Street, 6E  
 Los Angeles, CA 90012  
 Attention: Kathy K. Hanks, C.P.M.  
 Director, Contracts and Grants



The CONTRACTOR also shall promptly report to the COUNTY any injury or property damage accident or incident, including any injury to a CONTRACTOR employee occurring on COUNTY property, and any loss, disappearance, destruction, misuse, or theft of COUNTY property, monies or securities entrusted to the CONTRACTOR. The CONTRACTOR also shall promptly notify the COUNTY of any third party claim or suit filed against the CONTRACTOR or any of its Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against the CONTRACTOR and/or the COUNTY.

#### 13.24.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively COUNTY and its Agents) shall be provided additional insured status under the CONTRACTOR's General Liability policy with respect to liability arising out of the CONTRACTOR's ongoing and completed operations performed on behalf of the COUNTY. The COUNTY and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the CONTRACTOR's acts or omissions, whether such liability is attributable to the CONTRACTOR or to the COUNTY. The full policy limits and scope of protection also shall apply to the COUNTY and its Agents as an additional insured, even if they exceed the COUNTY's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

#### 13.24.3 Cancellation of or Changes in Insurance

The CONTRACTOR shall provide the COUNTY with, or the CONTRACTOR's insurance policies shall contain a provision that the COUNTY shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the COUNTY at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the COUNTY, upon which the COUNTY may suspend or terminate this Agreement.

#### 13.24.4 Failure to Maintain Insurance

The CONTRACTOR's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which the COUNTY immediately may withhold payments due to the CONTRACTOR, and/or suspend or terminate this Agreement. The COUNTY, at its sole discretion, may obtain damages from the CONTRACTOR resulting from said breach. Alternatively, the COUNTY may purchase the Required Insurance, and without further notice to the CONTRACTOR, deduct the premium cost from sums due to the CONTRACTOR or pursue the CONTRACTOR reimbursement.

#### 13.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the COUNTY with A.M. Best ratings of not less than A:VII unless otherwise approved by the COUNTY.

#### 13.24.6 CONTRACTOR's Insurance Shall Be Primary

The CONTRACTOR's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to the CONTRACTOR. Any COUNTY maintained insurance or self-insurance coverage shall be in excess of and not contribute to any CONTRACTOR coverage.

#### 13.24.7 Waivers of Subrogation

To the fullest extent permitted by law, the CONTRACTOR hereby waives its rights and its insurer(s)' rights of recovery against the COUNTY under all the Required Insurance for any loss arising from or relating to this Agreement. The CONTRACTOR shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

#### 13.24.8 Sub-Contractor Insurance Coverage Requirements

The CONTRACTOR shall include all Sub-Contractors as insureds under the CONTRACTOR's own policies, or shall provide the COUNTY with each Sub-Contractor's separate evidence of insurance coverage. The CONTRACTOR shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the COUNTY and the CONTRACTOR as additional insureds on the Sub-Contractor's General Liability policy. The CONTRACTOR shall obtain the COUNTY's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

#### 13.24.9 Deductibles and Self-Insured Retentions (SIRs)

The CONTRACTOR's policies shall not obligate the COUNTY to pay any portion of any CONTRACTOR deductible or SIR. The COUNTY retains the right to require the CONTRACTOR to reduce or eliminate policy deductibles and SIRs as respects the COUNTY, or to provide a bond guaranteeing the CONTRACTOR's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

#### 13.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. The CONTRACTOR understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

#### 13.24.11 Application of Excess Liability Coverage

The CONTRACTORS may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

#### 13.24.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

#### 13.24.13 Alternative Risk Financing Programs

The COUNTY reserves the right to review, and then approve, the CONTRACTOR use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The COUNTY and its Agents shall be designated as an Additional Covered Party under any approved program.

#### 13.24.14 COUNTY Review and Approval of Insurance Requirements

The COUNTY reserves the right to review and adjust the Required Insurance provisions, conditioned upon the COUNTY's determination of changes in risk exposures."

9. Agreement, Paragraph 13.0, Standard Terms and Conditions, Sub-Paragraph 13.25.4 is deleted in its entirety and replaced as follows:

"13.25.4 **Technology Errors and Omissions insurance**, including coverage for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render computer or information technology services and technology products. Coverage for violation of software copyright should be included. Technology services should at a minimum include (1) systems analysis (2) systems programming (3) data processing (4) systems integration (5) outsourcing including outsourcing development and design (6) systems design, consulting, development and modification (7) training services relating to computer software or hardware (8) management, repair and maintenance of computer products, networks and systems (9) marketing, selling, servicing, distributing, installing and maintaining computer hardware or software (10) data entry, modification, verification, maintenance, storage, retrieval or preparation of data output, and any other services provided by the vendor with limits of at least \$2 million."

10. Agreement, Paragraph 13.0, Standard Terms and Conditions, Sub-Paragraph 13.37 is deleted in its entirety and replaced as follows:

"13.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT:

13.37.1 The CONTRACTOR shall maintain, and provide upon request by the COUNTY, accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. The CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this Agreement.

13.37.2 The CONTRACTOR agrees that the COUNTY, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the CONTRACTOR and shall be made available to the COUNTY during the term of this

Agreement and for a period of five (5) years thereafter unless the COUNTY's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the CONTRACTOR at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the COUNTY's option, the CONTRACTOR shall pay the COUNTY for travel, per diem, and other costs incurred by the COUNTY to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 13.37.3 In the event that an audit of the CONTRACTOR is conducted specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by the CONTRACTOR or otherwise, including audits conducted by the Medicare and Medi-Cal programs, or both, then the CONTRACTOR shall file a copy of each such audit report, including Service Organization Controls (SOC1) Reports, with the County's Auditor-Controller within thirty (30) days of the CONTRACTOR's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. Subject to applicable law, the COUNTY shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 13.37.4 Failure on the part of the CONTRACTOR to comply with any of the provisions of this Sub-Paragraph 13.37 shall constitute a material breach of this Agreement upon which the COUNTY may terminate or suspend this Agreement.
- 13.37.5 If, at any time during the term of this Agreement or within five (5) years after the expiration or termination of this Agreement, representatives of the COUNTY conduct an audit of the CONTRACTOR regarding the work performed under this Agreement, and if such audit finds that the COUNTY's dollar liability for any such work is less than payments made by the COUNTY to the CONTRACTOR, then the difference shall be either: a) repaid by the CONTRACTOR to the COUNTY by cash payment upon demand or b) at the sole option of the COUNTY's Auditor-Controller, deducted from any amounts due to the CONTRACTOR from the COUNTY, whether under this Agreement or otherwise. If such audit finds that the COUNTY's dollar liability for such work is more than the payments made by the COUNTY to the CONTRACTOR, then the difference shall be paid to the CONTRACTOR by the COUNTY by cash payment, provided that in no event shall the

COUNTY's maximum obligation for this Agreement exceed the funds appropriated by the COUNTY for the purpose of this Agreement.

11. Agreement, Paragraph 13.0, Standard Terms and Conditions, is modified to add Sub-Paragraph 13.55, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions, as follows:

“13.55 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS (2 C.F.R. PART 376):

The CONTRACTOR hereby acknowledges that the COUNTY is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Agreement, the CONTRACTOR certifies that neither it nor any of its owners, officers, partners, directors, other principals, employees, or independent contractors is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Agreement, the CONTRACTOR certifies that, to its knowledge, none of its subcontractors, at any tier, or any owners, officers, partners, directors, other principals, employees, or independent contractors of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. The CONTRACTOR shall immediately notify the COUNTY in writing, during the term of this Agreement, should it or any of the aforementioned parties either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of the CONTRACTOR to comply with this provision shall constitute a material breach of this Agreement upon which the COUNTY may immediately terminate or suspend this Agreement.”

12. Agreement, Paragraph 13.0, Standard Terms and Conditions, is modified to add Sub-Paragraph 13.56, Contractor's Exclusion From Participating In A Federally Funded Program, as follows:

“13.56 CONTRACTOR'S EXCLUSION FROM PARTICIPATING IN A FEDERALLY FUNDED PROGRAM:

13.56.1 The CONTRACTOR hereby warrants that neither it nor any of its Subcontractors' owners, officers, partners, directors, other principals, employees or independent contractors is restricted or excluded from providing



services under any health care program funded by the Federal government, directly or indirectly, in whole or in part, (which includes Medicare, Medi-Cal and Healthy Families) and that the CONTRACTOR will notify Director within ten (10) calendar days in writing of: (1) any event that would require the CONTRACTOR or any of the aforementioned parties' mandatory exclusion from participation in a Federally funded health care program; and (2) any exclusionary or suspension action taken by any agency of the Federal or State governments against any of the aforementioned parties' barring these parties from participating in a Federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

13.56.2 The CONTRACTOR shall indemnify and hold the COUNTY harmless against any and all loss or damage the COUNTY may suffer arising from any exclusion or suspension of the CONTRACTOR or its Subcontractors' owners, officers, partners, directors, other principals, employees or independent contractors from such participation in a Federally funded health care program.

13.56.3 Failure by the CONTRACTOR to meet the requirements of this Sub-Paragraph shall constitute a material breach of contract upon which the COUNTY may immediately terminate

13. Agreement, Paragraph 13.0, Standard Terms and Conditions, is modified to add Sub-Paragraph 13.57, Federal Access To Records, as follows:

"13.57 FEDERAL ACCESS TO RECORDS:

If, and to the extent that, Section 1861(v)(1)(I) of the Social Security Act (42 U.S.C. Section 1395x(v)(1)(I)) is applicable, the CONTRACTOR agrees that for a period of four (4) years following the furnishing of services under this Agreement, the CONTRACTOR shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Controller General of the United States, or to any of their authorized representatives, the Agreements, books, documents and records of the CONTRACTOR which are necessary to verify the nature and extent of the costs of services provided hereunder. Furthermore, if the CONTRACTOR carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period

with a related organization (as that term is defined under Federal law), the CONTRACTOR agrees that each such subcontract shall provide for such access to the subcontract, books, documents and records of the subcontractor.”

14. Agreement, Paragraph 13.0, Standard Terms and Conditions, is modified to add Sub-Paragraph 13.58, Restrictions On Lobbying, as follows:

“13.58 RESTRICTIONS ON LOBBYING:

If any Federal funds are to be used to pay for the CONTRACTOR’s services under this Agreement, the CONTRACTOR shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public Law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully complies with all such certification and disclosure requirements.”

15. Agreement, Paragraph 13.0, Standard Terms and Conditions, is modified to add Sub-Paragraph 13.59, Time Off For Voting, as follows:

“13.59 TIME OFF FOR VOTING:

The CONTRACTOR shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every CONTRACTOR and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.”

16. Agreement, Paragraph 13.0, Standard Terms and Conditions, is modified to add Sub-Paragraph 13.60, No Offshore Work, as follows:

“13.60 NO OFFSHORE WORK

CONTRACTOR warrants that it will not transmit or make available any of COUNTY’s Confidential Information, COUNTY’s intellectual property or any COUNTY Data to any entity or individual outside the United States without prior written COUNTY approval of such transmittal to an entity or person outside of the United States and the means and purpose of such transmittal. COUNTY has approved transmittal of such information to the entities and countries identified in Exhibit P (COUNTY-Approved CONTRACTOR Entities and Countries).”

17. Attachment A.3.1, System Software, of Exhibit A, Statement of Work, is deleted and replaced in its entirety by Attachment A.3.1-1, attached hereto and incorporated herein by reference. All references to Attachment A.3.1 in the Agreement shall be replaced by Attachment A.3.1-1.

18. Attachment A.3.2, System Hardware, of Exhibit A, Statement of Work, is deleted and replaced in its entirety by Attachment A.3.2-1, attached hereto and incorporated herein by reference. All references to Attachment A.3.2 in the Agreement shall be replaced by Attachment A.3.2-1.

19. Attachment A.6, Current Locations, of Exhibit A, Statement of Work, is deleted and replaced in its entirety by Attachment A.6-1, attached hereto and incorporated herein by reference. All references to Attachment A.6 in the Agreement shall be replaced by Attachment A.6-1.

20. Agreement, Exhibit B, Schedule of Payments, is deleted and replaced in its entirety by Exhibit B-1, attached hereto and incorporated herein by reference. All references to Exhibit B in the Agreement shall be replaced by Exhibit B-1.

21. Attachment B.1, Licenses, of Exhibit B, Schedule of Payments, is deleted and replaced in its entirety by Attachment B.1-1, attached hereto and incorporated herein by reference. All references to Attachment B.1 in the Agreement shall be replaced by Attachment B.1-1.

22. Agreement, Exhibit C, Service Level Requirements, is modified to add Exhibit C-1, attached hereto and incorporated herein by reference.

23. Agreement is modified to add Exhibit O, Information Security Requirements, attached hereto and incorporated herein by reference.

24. Agreement is modified to add Exhibit P, County-Approved Contractor Entities and Countries, attached hereto and incorporated herein by reference.

25. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by the County's Director of Health Services and CONTRACTOR has caused this Amendment to be executed on its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_ for  
Mitchell H. Katz, M.D.  
Director of Health Services

CONTRACTOR

SAGA TECHNOLOGIES, INC.

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

APPROVED AS TO FORM:  
MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Edward T. Yen  
Senior Deputy County Counsel

## ATTACHMENT A.3.1-1

### System Software

#### E-mHUB

**E-mHUB SYSTEM SOFTWARE**

This System Software document is a summary of Software components, including Operating Systems Software, Application Software, and Third Party Software). Contractor shall provide the following in order to meet all Requirements:

1. **mHUB System**, operating at the ISD Host Site on COUNTY provided hardware, as set forth in Attachment A.3.2-1 (System Hardware)
  - a. Operating Systems Software (provided by COUNTY)
    - i. Microsoft Windows Enterprise Server 2003 R2, SP2, IIS with web site, FTP, Terminal Services and management agents
  - b. Baseline Application Software (Attachment A.1 (Existing mHUB System Requirements)) includes, but is not limited to, the following
    - i. Baseline mHUB System components:
      1. "Patient Referral Information"
      2. "Medical Assessment"
      3. "Forensic Assessment"
      4. "Mental Health Assessment"
      5. Patient scheduling, future and past appointments
      6. Staff scheduling/appointment books
      7. Staff work queues
    - ii. Additional mHUB System components:
      1. Outgoing 561(a) form in hardcopy
      2. Report writer
      3. Outgoing Interface to the VIP database system
  - c. Third Party Software:
    - i. CONTRACTOR shall provide:
      1. Microsoft .NET Framework 3.5
      2. MS.SQL Server 2005
    - ii. COUNTY will provide:
      1. SSL-VPN appliance
      2. Security/virus:
        - a. Server vulnerability scanning
        - b. Server anti-virus
        - c. Server host-based Intrusion Prevention System (IPS)
        - d. Server operating system patching
2. **E-mHUB System**, operating at the ISD Host Site on COUNTY provided hardware, as set forth in Attachment A.3.2-1 (System Hardware)



- a. Operating Systems Software (provided by COUNTY)
  - i. Microsoft Windows Enterprise Server 2008 64-bit, SP1, IIS with default web site, FTP, Terminal Services and management agents.
- b. Baseline Application Modifications (Attachment A.2 (Additional System Requirements)) include, but are not limited to, the following
  - i. mHUB modifications include:
    - 1. Upgraded .NET framework from version 2.0 to 3.5
    - 2. Combine medical assessment/forensic assessment modules/functionality
    - 3. Develop a multi-Medical Hub design that:
      - a. Provides System administration functionality for each Medical Hub and enterprise
      - b. Differentiates patients and treatment data, based on Medical Hub locations
    - 4. Standardize security roles for Medical Hub staff, DCFS staff, and System administration staff
    - 5. Capture additional data elements for reporting to DCFS and statistical reports
    - 6. Capture additional patient scheduling functionality, including LAC+USC scheduling patients at ESGV Satellite Medical Hub
    - 7. Include functionality for merging duplicate patients in the System, both within a Medical Hub and across the enterprise
    - 8. Include functionality to maintain a System audit trail for meeting HIPAA compliance
  - ii. Additional E-mHUB Interfaces:
    - 1. Incoming DCFS referral data via secured FTP
    - 2. Outgoing 561(a) form in PDF to DCFS via secured FTP
    - 3. Outgoing CalEMA forms in PDF to DCFS via secured FTP
    - 4. Outgoing electronic notices, to DCFS via secured FTP, containing information related to the scheduling staff being unable to contact caregiver, and patient appointment cancellations and no shows
  - iii. Additional E-mHUB components:
    - 1. Statistical reporting
    - 2. Storing/accessing electronic documents by patient record
    - 3. Outgoing electronic documents via email with password protection
  - iv. Data conversions:
    - 1. Convert LAC+USC's mHUB Live Data and migrate to E-mHUB System:
      - a. Before testing E-mHUB functionality

- b. The day prior to LAC+USC's Go-Live
- c. Third Party Software (provided by COUNTY):
  - 1. Microsoft .NET Framework (All Versions)
  - 2. Microsoft Windows Server Operating Systems (All supported versions)
  - 3. Microsoft SQL Server with Reporting Services (All supported versions)
  - 4. Microsoft Internet Information Services (IIS)
  - 5. SSL-VPN appliance
  - 6. Security/virus:
    - a. Server vulnerability scanning
    - b. Server anti-virus
    - c. Server host-based IPS
    - d. Server operating system patching
    - e. RSA Two-factor authentication

## ATTACHMENT A.3.2-1

### System Hardware

#### E-mHUB

**E-mHUB SYSTEM HARDWARE**

This System Hardware document is a summary of hardware components, provided by COUNTY and is based on CONTRACTOR's configuration recommendations. All such hardware components will be acquired and installed/operated at the ISD Host Site. Hardware components between the mHUB System and E-mHUB System will be independent of each other and have the following specifications:

1. **mHUB System**, operating at the ISD Host Site on COUNTY provided hardware, per the ISD Host Site "Service Proposal" dated November 2, 2009 for the "mHUB Server Project":
  - a. Production Environment:

HP ProLiant DL 385 G2 (2 x 2.6 GHZ), 4 GB RAM, 3 x 146 GB HDD, Pro. Essen. Integrated Lights-Out Adv.Pac, associated hardware and network components for connectivity to the Data Center infrastructure.

- b. Test Environment:

HP ProLiant DL 385 G2 (2 x 2.6 GHZ), 4 GB RAM, 2 x 72 GB HDD, Pro. Essen. Integrated Lights-Out Adv.Pac, associated hardware and network components for connectivity to the Data Center infrastructure.

The mHUB System was decommissioned in FY 2011/2012.

2. **E-mHUB System** operating at the ISD Host Site on COUNTY provided hardware, per ISD's attached "Service Proposal" dated August 4, 2009 for the "DHS E-mHUB Server Project":
  - a. DHS Server #1 will consist of two (2) VMWare servers for the Test Environment:
    - i. VM #1 Staging Apps and DB VMWare server (DHSEmHubStage)
      - 4 vCPU
      - 4 GB vRAM
      - 40 GB C: drive (Reserved for Windows OS)
      - 40 GB D: drive (Customer Apps and DB)
    - ii. VM #2 Training Apps and DB VMWare server (DHSEmHubTrain)
      - 1 vCPU
      - 2 GB vRAM
      - 40 GB C: drive (Reserved for Windows OS)
      - 40 GB D: drive (Customer Apps and DB)
  - b. DHS Server #2 will consist of two (2) VMWare servers for the Production Environment:

- i. VM #3 Production Web VMWare server (DHSemHubWeb)
  - 4 vCPU
  - 4 GB vRAM
  - 40 GB C: drive (Reserved for Windows OS)
  - 200 GB D: drive (Customer Apps and DB)
- ii. VM #4 Production SQL Database VMWare server (DHSemHubProd)
  - 6 vCPU
  - 6 GB vRAM
  - 40 GB C: drive (Reserved for Windows OS)
  - 80 GB D: drive (Customer Apps and DB)

Current Medical Hub/DCFS Locations and Operations								
	HARBOR- UCLA MEDICAL CENTER	HIGH DESERT REGIONAL HEALTH CENTER	MARTIN LUTHER KING, JR. OUTPATIENT CENTER	OLIVE VIEW- UCLA MEDICAL CENTER	LAC+USC MEDICAL CENTER	EAST SAN GABRIEL VALLEY	DCFS (all sites, present and future)	Health Services Administration
Clinic Hours (Forensic Evaluation/ Initial Medical Examination/ Mental Health Screening)	Monday through Thursday 8:00 a.m. to 6:00 p.m. Friday 8:00 a.m. to 5:00 p.m	Monday through Friday 8:00 a.m. to 4:30 p.m.	Monday through Thursday 8:00 a.m. to 8:00 p.m. Friday 8:00 a.m. through 6:30 pm	Monday through Friday 8:00 a.m. to 5:00 p.m.	24 hours, 7days a week	Monday through Friday 8:30 a.m. to 4:30 p.m.	N/A	N/A
Address/Phone	1000 W. Carson Street Building N26 Torrance, CA 90509  (310) 222- 3567	335 East Avenue I Lancaster, CA 93535  (661) 471- 4055	Jaron Gammons Hub Building Trailer #6 1721 E. 120th Street Los Angeles, CA 90059  (424) 338-2900	14445 Olive View Drive, 4th Floor Unit 4C Sylmar, CA 91343  (818) 364- 4680	2010 Zonal Avenue, 3rd Floor, 3P-61 Los Angeles, CA 90033 (323) 226- 3961	4024 Durfee Avenue El Monte, CA 91732 (323) 226- 5086	See below	313 N. Figueroa St., Room 704 Los Angeles, CA 90012
Contact Person	Kelly Callahan, MD Office: (310) 222-3567	Veena Damle, MD Office: (661) 471-4055	Janet Arnold, MD Office: (424) 338-2900	Janice Woods, MD Office: (818) 364-4680	Catherine DeRidder, MD Office: (323) 226-3961	Jorge Fuentes, MD Office: (323) 226-3961	Donna Fernandez Office: (213) 351-5729	Karen Bernstein Office: (213) 250-8644



DCFS Regional Office Locations by Assigned Medical Hub						
Assigned Medical Hub	DCFS Regional Office Location					
HARBOR-UCLA MEDICAL CENTER	Torrance 2325 Crenshaw Blvd. Torrance, CA 90501 (310) 972-3114	South County 4060 Watson Plaza Drive Lakewood, CA 90712 (562) 497-3335				
HIGH DESERT REGIONAL MEDICAL HEALTH CENTER	Palmdale 39959 Sierra Hwy, Palmdale, CA 93550 (661) 223-4111	Lancaster 1150 W Ave. J Lancaster, CA 93534 (661) 951-4001				
MARTIN LUTHER KING, JR. OUTPATIENT CENTER	Santa Fe Springs 10355 Slusher Dr. Santa Fe Springs, CA 90670 (562) 903-5101	Vermont Corridor 8300 S. Vermont Ave. Los Angeles, CA 90044 (323) 965-5171	Wateridge 5110 W. Goldleaf Circle Los Angeles, CA 90056 (323) 290-8437	Compton 921 E. Compton Blvd Compton, CA 90221 (310) 668-6605		
OLIVE VIEW-UCLA MEDICAL CENTER	Santa Clarita 28490 Avenue Stanford Santa Clarita, CA 91321 (661) 702-6202	San Fernando Valley 20151 Nordhoff St. Chatsworth, CA 91311 (818) 717-4802	West San Fernando Valley 20151 Nordhoff St. Chatsworth, CA 91311 (818) 717-4808			
LAC+USC MEDICAL CENTER	Pasadena 532 E. Colorado St. Pasadena, CA 91101 (626) 229-3737	El Monte 4024 Durfee Ave. El Monte, CA 91732 (626) 455-4506	Glendora 725 S. Grand Ave. Glendora, CA. 91740 (626) 691-1692	Pomona 100 W. Second St. Pomona, CA 91766 (909) 868-4401	Belvedere 5835 Eastern Ave. Los Angeles, CA 90040 (323) 725-4500	Metro North 3075 Wilshire Blvd. Los Angeles, CA 90010 (213) 639-4813

## **EXHIBIT B-1**

### **SCHEDULE OF PAYMENTS**

#### **E-mHUB Project**

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CONTRACTOR will be paid on a fixed-price basis for completed Work.

The Operations and Maintenance Fees for the E-mHUB System will be paid quarterly in advance and be adjusted to begin the first day of the COUNTY's fiscal year (i.e., July 1, 2015 to September 30, 2015 commencing with the April 1, 2016 to June 30, 2016 quarter).

**I. DELIVERABLES**

See next page

## EXHIBIT B-1 – SCHEDULE OF PAYMENTS

DELIVERABLE NUMBER	DELIVERABLE DESCRIPTION	DELIVERABLE AMOUNT *	AMOUNT DUE UPON DELIVERABLE ACCEPTANCE	HOLDBACK AMOUNT UNTIL FINAL SYSTEM ACCEPTANCE
Deliverable 1.1	Transition Plan Developed	\$ 12,500.00	\$11,250.00	\$1,250.00
Deliverable 1.2	Host Site Validated	\$ -	\$0.00	\$0.00
Deliverable 1.3	mHUB System Production Environment Installed and Validated	\$ -	\$0.00	\$0.00
Deliverable 1.4	mHUB System Production Environment Tested	\$ 12,500.00	\$11,250.00	\$1,250.00
Deliverable 1.5	mHUB Test Environment Established	\$ -	\$0.00	\$0.00
Deliverable 1.6	mHUB's Current Production Environment Database Migrated to ISD and Tested	\$ 10,000.00	\$9,000.00	\$1,000.00
Deliverable 1.7	mHUB System Go-Live Completed	\$ 30,000.00	\$27,000.00	\$3,000.00
Deliverable 1.8	mHUB System at Rackspace Shut Down	\$ 10,000.00	\$9,000.00	\$1,000.00
Deliverable 2.1	Project Kick-Off Meeting Conducted	\$ -	\$0.00	\$0.00
Deliverable 2.2	Project Kick-Off Meeting Minutes Provided	\$ -	\$0.00	\$0.00
Deliverable 3.1	Project Control Document Provided, Approved, and Maintained	\$ 500,000.00	\$450,000.00	\$50,000.00
Deliverable 3.2	Project Team Meetings Conducted and Meeting Documents Provided	\$ -	\$0.00	\$0.00
Deliverable 3.3	Participated in Project Meetings and Provided Documentation	\$ -	\$0.00	\$0.00
Deliverable 3.4	Monthly Project Status Report Provided	\$ -	\$0.00	\$0.00
Deliverable 4	Unique Business Processes Document Approved	\$ 15,000.00	\$13,500.00	\$1,500.00
Deliverable 5.1	Security Profile Report Provided	\$ -	\$0.00	\$0.00
Deliverable 5.2	System Administration Settings Documented	\$ -	\$0.00	\$0.00
Deliverable 5.3	Internal Reporting Format Requirements Documented	\$ -	\$0.00	\$0.00
Deliverable 5.4	External Reporting Requirements Documented	\$ -	\$0.00	\$0.00
Deliverable 5.5	System Audit Requirements Documented	\$ -	\$0.00	\$0.00
Deliverable 5.6	Interface Plan Documented	\$ -	\$0.00	\$0.00
Deliverable 5.7	Technical Requirements Specification Document Approved	\$ 100,000.00	\$90,000.00	\$10,000.00
Deliverable 5.8	Test Strategy Plan Prepared	\$ 20,000.00	\$18,000.00	\$2,000.00
Deliverable 6	System Design Document Approved	\$ 85,000.00	\$76,500.00	\$8,500.00
Deliverable 7.1	Database Structure Modified for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.2	Web User Interface Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.3	Security Profiles Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.4	System Administration Settings Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.5	System Audit Functionality Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.6	Internal Reports Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.7	External Reports Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.8	Capability to Receive Scanned Documents in E-mHUB System Developed	\$ -	\$0.00	\$0.00
Deliverable 7.9	Interfaces Developed for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 7.10	E-mHUB System Development Completed and Ready for Hosting Site	\$ 100,000.00	\$90,000.00	\$10,000.00
Deliverable 8	Test Scripts Prepared for E-mHUB System	\$ 15,000.00	\$13,500.00	\$1,500.00
Deliverable 9	ISD Host Site Established	\$ -	\$0.00	\$0.00
Deliverable 10	System Environments Established and Tested	\$ 40,000.00	\$36,000.00	\$4,000.00
Deliverable 11.1	Sample Data Migrated and Validated	\$ -	\$0.00	\$0.00
Deliverable 11.2	E-mHUB System Certified on ISD Host Site Hardware	\$ 30,000.00	\$27,000.00	\$3,000.00
Deliverable 12.1	Application Software Testing Conducted for E-mHUB System	\$ 95,000.00	\$85,500.00	\$9,500.00
Deliverable 12.2	System Integration Testing Conducted for E-mHUB System	\$ 50,000.00	\$45,000.00	\$5,000.00
Deliverable 12.3	Load Test Conducted for E-mHUB System	\$ -	\$0.00	\$0.00
Deliverable 13	Go-Live Plan Documented for E-mHUB System	\$ 15,000.00	\$13,500.00	\$1,500.00
Deliverable 14.1	Documentation Provided for E-mHUB System	\$ 15,000.00	\$13,500.00	\$1,500.00
Deliverable 14.2	System Training Provided for E-mHUB System **	\$ 55,800.00	\$50,220.00	\$5,580.00
Deliverable 15	LAC+USC's mHUB Data Migration and Verification to E-mHUB System Completed	\$ 20,000.00	\$18,000.00	\$2,000.00
Deliverable 16.1	E-mHUB Go-Live for LAC+USC Medical Hub Completed	\$ 200,000.00	\$180,000.00	\$20,000.00
Deliverable 16.2	Go-Live Recommended by E-mHUB Location (not in specific order)		\$0.00	\$0.00
	a. Harbor/UCLA	\$ -	\$0.00	\$0.00
	b. Olive View/UCLA	\$ -	\$0.00	\$0.00
	c. MLK MACC	\$ -	\$0.00	\$0.00
	d. High Desert MACC	\$ -	\$0.00	\$0.00
	e. DCFS / HSA Office of Planning and Program Oversight Division	\$ -	\$0.00	\$0.00

## EXHIBIT B-1 – SCHEDULE OF PAYMENTS

DELIVERABLE NUMBER	DELIVERABLE DESCRIPTION	DELIVERABLE AMOUNT *	AMOUNT DUE UPON DELIVERABLE ACCEPTANCE	HOLDBACK AMOUNT UNTIL FINAL SYSTEM ACCEPTANCE
Deliverable 16.3	Go-Live by E-mHUB Location Completed (not in specific order)		\$0.00	\$0.00
	a. Harbor/UCLA	\$ 75,000.00	\$67,500.00	\$7,500.00
	b. Olive View/UCLA	\$ 75,000.00	\$67,500.00	\$7,500.00
	c. MLK MACC	\$ 75,000.00	\$67,500.00	\$7,500.00
	d. High Desert MACC	\$ 50,000.00	\$45,000.00	\$5,000.00
	e. DCFS / HSA Office of Planning and Program Oversight Division	\$ 25,000.00	\$22,500.00	\$2,500.00
Deliverable 17	Final System Acceptance	\$ 181,629.55	\$181,629.55	\$0.00
Deliverable 18	Additional Work Provided	\$ -	\$0.00	\$0.00
<b>Accumulative Totals</b>		<b>\$ 1,912,429.55</b>	<b>\$ 1,739,349.55</b>	<b>\$ 173,080.00</b>

<b>Subtotal Deliverables</b>	<b>\$ 1,739,349.55</b>
<b>Final Payment of 10% Holdback</b>	<b>\$ 173,080.00</b>
<b>Total Implementation Cost</b>	<b>\$ 1,912,429.55</b>

\* Deliverable amounts are inclusive of all applicable taxes

\*\* See Attachment A.4 (System Training). Invoicing for each session day shall occur upon completion of training at each COUNTY location.

See next page

**II. OPERATIONS AND MAINTENANCE FEES**

The Operations and Maintenance Fees are as follows:

Description	Payment Amount /Schedule	Annual Rate
mHUB Operations and Maintenance Services	\$24,300.00 paid quarterly in advance	\$97,200.00
E-mHUB Operations and Maintenance Services (Years 1-6)	\$100,228.20 paid quarterly in advance	\$400, 912.80
E-mHUB Operations and Maintenance Services (Years 7-11) <sup>1</sup>	\$116,948.84 paid quarterly in advance	\$467,795.38

**III. ADDITIONAL WORK****A. POOL DOLLARS**

The maximum amount of \$100,000.00 per year is available as Pool Dollars for Years 1-6. For Years 7-11, \$500,000.00 is available for Pool Dollars for Additional Work. The remaining balance of Pool Dollars in Year 6 shall be available for use for Years 7-11. Pool Dollars shall be used for acquiring Additional Work provided by CONTRACTOR as set forth in Task 18 (Provide Additional Work) of Exhibit A (Statement of Work), which includes, but is not limited to, the following:

1. Additional Training services;
2. Adding Licenses for additional Primary Medical Hubs and/or Satellite Medical Hubs, as set forth in Attachment B.1 (Licenses);
3. Interfaces;
4. Migration services;
5. Custom Modifications identified as "P" in the "Priority Code" column, as set forth in Attachment A.2 (Additional System Requirements (Baseline Application Modifications)) and at the price shown in the "Additional Work Quoted" column;
6. Custom Modifications beyond those identified as "P" in the "Priority Code" column, as set forth in Attachment A.2 (Additional System Requirements (Baseline Application Modifications));
7. Additional Operations and Maintenance Fees, at the sole discretion of COUNTY, for additional Licenses and/or Custom Modifications identified in 2, 3, and 4 above. Any such additional Operations and Maintenance Fees shall not exceed 18% of the additional Licenses and/or Custom Modifications;

<sup>1</sup> Includes \$40,403.60 per year in additional Operations and Maintenance Fees for Custom Modifications, which is subject to Cost of Living Adjustments (COLA's) in accordance with Sub-Paragraph 7.9 (Cost of Living Adjustments (COLA's)) of the Agreement.

## EXHIBIT B-1 – SCHEDULE OF PAYMENTS

8. Enhancements to current functionality, or new functionality, as set forth in Section I (Updates) of Exhibit C (Service Level Requirements); and
9. Upgrades to or additional Third Party Software as set forth in Section III (Third Party Software) of Exhibit C (Service Level Requirements).

For the Additional Work designated in numbers 1 and 4 above, the rates set forth in Section B below shall apply. When providing a written proposal for Additional Work, in accordance with the Agreement Subparagraph 5.3.2, CONTRACTOR shall include the following:

1. Which professional service type is required;
2. The number of hours required;
3. The hourly rate from Section B below;
4. Total cost per professional service type;
5. Total cost for Additional Work.

Once CONTRACTOR and COUNTY agree upon the proposed Additional Work, COUNTY, in its sole discretion, will determine if such Additional Work is processed as a Change Notice (Attachment A.7 (Change Notice)), or as an Agreement Amendment. COUNTY, in its sole discretion, will determine whether Additional Work, which is processed as a Change Notice, also requires use of Exhibit J (Form of Work Order).

### B. PROFESSIONAL SERVICES RATES

PROFESSIONAL SERVICE DESCRIPTION	RATE
.NET development	\$90.00/hr
Report design	\$120.00/hr
Interface development	\$120.00/hr
Installation and configuration	\$120.00/hr
Migration services	\$120.00/hr
Training	\$157.00/hr

**IV. CONTRACT SUM**

Pursuant to Subparagraph 7.1 of the Agreement, the “Contract Sum” under this Agreement is as follows:

*Table 1: Contract Years 1-6*

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
One Time Costs (Section I)	\$1,912,429.55					
mHUB Operations and Maintenance Fees (Section II) *	\$97,200.00					
E-mHUB Operations and Maintenance Fees (Section II) *		\$400,912.80	\$400,912.80	\$400,912.80	\$400,912.80	\$400,912.80
Pool Dollars (Section III) *	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
<b>TOTALS:</b>	<b>\$2,109,629.55</b>	<b>\$500,912.80</b>	<b>\$500,912.80</b>	<b>\$500,912.80</b>	<b>\$500,912.80</b>	<b>\$500,912.80</b>

*Table 2: Contract Years 7-11*

Description	Year 7	Year 8	Year 9	Optional Year 10	Optional Year 11	Total for Contract Term
One Time Costs (Section I)						\$ 1,912,429.55
mHUB Operations and Maintenance Fees (Section II) *						\$97,200.00
E-mHUB Operations and Maintenance Fees (Section II) *	\$467,795.38	\$467,795.38	\$467,795.38	\$467,795.38	\$467,795.38	\$4,343,540.90
Pool Dollars (Section III)						\$1,100,000.00
<b>TOTALS:</b>	<b>\$467,795.38</b>	<b>\$467,795.38</b>	<b>\$467,795.38</b>	<b>\$467,795.38</b>	<b>\$467,795.38</b>	<b>\$7,453,170.45</b>

\* The yearly allocations for Operations and Maintenance Fees and Pool Dollars amounts will not change, although the yearly allocations are subject to revision.



ATTACHMENT B.1-1

LICENSES

E-mHUB

**1. E-mHUB System Licenses**

Included in the Contract Sum, CONTRACTOR shall provide Licenses for the following locations:

- a. LAC+USC Medical Center Primary Medical Hub
- b. Harbor-UCLA Medical Center Primary Medical Hub
- c. Olive View-UCLA Medical Center Primary Medical Hub
- d. High Desert Regional Health Center Primary Medical Hub
- e. Martin Luther King, Jr. Outpatient Center Primary Medical Hub
- f. East San Gabriel Valley Satellite Medical Hub
- g. Department of Children and Family Services field offices, all sites present and future
- h. Health Services Administration

**2. Additional E-mHUB System Licenses, as future purchases:**

Should COUNTY, in its sole discretion, decide to acquire additional Licenses using Pool Dollars, the License rates/fees shall be as follows:

License Type	Description	Rates/Fees
Primary	Add Primary Medical Hub location	\$37,500 License fee for each Primary Medical Hub location + \$6,750 per year Operations and Maintenance fees paid quarterly in advance following 30 day Warranty Period + One-time \$25,000 Implementation Services fee for each Primary Medical Hub location
Satellite	Add a Satellite Medical Hub	\$25,000 License fee for each Satellite Medical Hub + \$4,500.00 per year Operations and Maintenance fees paid quarterly in advance following 30 day Warranty Period + One-time \$12,500 Implementation Services fee for each Satellite Medical Hub

## **EXHIBIT C-1**

### **SERVICE LEVEL REQUIREMENTS**

#### **E-mHUB Project**

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**GENERAL**

This exhibit sets forth CONTRACTOR's service level commitment with respect to the System provided by CONTRACTOR under the Agreement. CONTRACTOR shall have access via VPN to the ISD Host Site servers to accomplish required Services listed herein. Capitalized terms used in this exhibit without definition shall have the meanings given to such terms in the body of the Agreement.

CONTRACTOR shall provide Operations and Maintenance Services in accordance with the requirements set forth in the Agreement and all sections of this exhibit.

CONTRACTOR shall provide all Operations and Maintenance Services for the System from CONTRACTOR's business premises, as necessary to fulfill its obligations under the Agreement. COUNTY may reasonably determine that certain Operations and Maintenance Services will require CONTRACTOR's presence on-site, including the ISD Host Site, in which case the CONTRACTOR shall perform such Operations and Maintenance Services at COUNTY Facilities.

Without limiting CONTRACTOR's Operations and Maintenance Services obligations, as set forth in the Agreement and the following sections of this exhibit, CONTRACTOR shall perform the following:

1. Maintain and support all components and functionality of the m-HUB System and E-mHUB System, including but not limited to the functionality set forth in Attachment A.1 (Existing m-HUB System Requirements (Baseline Application Software)) and Attachment A.2 (Additional System Requirements (Baseline Application Modifications));
2. CONTRACTOR shall make minor enhancements to the E-mHUB System requested by COUNTY such that each request meets the following parameters:
  - a. Will not impact, as reasonably determined by COUNTY, the fundamental core processing attributes of the program being modified or its core processing logic. COUNTY and CONTRACTOR agree, for avoidance of doubt, that not all changes to the Source Code will impact the fundamental core processing attributes of the program being modified or its core processing logic;
  - b. Will be limited to WUI and reports;
  - c. Will not exceed eight (8) hours of development time;
  - d. Will not exceed two (2) requests per month;
3. Resolve all E-mHUB System bug problems;
4. Resolve all System error code messages;
5. Develop a maximum of eight (8) new reports per Agreement year, commencing upon Final System Acceptance, where each report will not exceed forty (40) hours of development time, with a maximum of two (2) reports per month;
6. All Documentation shall be updated to reflect Updates (as defined in Section I below), Version Releases (as defined in Section II below), Interfaces, and/or Third Party Software upgrades, as required by COUNTY.

7. Provide Updates (as defined in Section I below) and Version Releases (as defined in Section II below), as set forth, respectively, in Section I and Section II below;
8. Provide ongoing support for the System as specified above, including support for all Updates (as defined in Section I below), Version Releases (as defined in Section II below), Interfaces, and/or Third Party Software upgrades; and provide assistance in Deficiency determination and resolution of all System Software, including Deficiencies relating to Updates (as defined in Section I below), Version Releases (as defined in Section II below), Interfaces, and/or Third Party Software upgrades; and
9. Provide ongoing support for Third Party Software as required under Section III below.

**I. UPDATES**

CONTRACTOR shall develop and implement:

1. System bug fixes and patches;
2. CONTRACTOR-desired System modifications, including database structure, not specifically requested by COUNTY. Any CONTRACTOR-desired System modification not specifically requested by the COUNTY shall be presented to the COUNTY's Project Manager with a written description of the benefits to COUNTY of the recommended modification. The CONTRACTOR shall take no further action with regard to the modification unless and until written approval is provided by the COUNTY's Project Manager.
3. Third Party Software upgrades as described in Section III below; and
4. Custom Modifications, including those necessary to keep current with all statutory and regulatory changes, may be requested by COUNTY, in accordance with Subparagraph 5.3 (Additional Work) of the Agreement

(Collectively, "Updates").

With the exception of Custom Modifications, CONTRACTOR shall install and support all Updates as part of Operations and Maintenance Services, at no additional cost to COUNTY.

CONTRACTOR shall test the compatibility of all Updates in an acceptable Test Environment to validate and demonstrate the viability of the Update with all impacted System Software and/or Third Party Software. Unless otherwise instructed by the COUNTY in writing, CONTRACTOR shall thereafter immediately implement and place into production all such Updates. Should COUNTY instruct CONTRACTOR to delay immediate implementation and placement into production of any Update, installation of such Update shall be performed on a date and at a time mutually agreed upon by both COUNTY and CONTRACTOR.

Additionally, CONTRACTOR shall provide to COUNTY all Documentation relating to Updates within 30 Days after the creation thereof.

Without limiting the foregoing, at any time in the future, should CONTRACTOR sell the E-mHUB System to a new customer, CONTRACTOR shall provide COUNTY all information related to any enhancements to current functionality, or new functionality, to the core E-mHUB product purchased by the new customer. COUNTY, in its sole discretion, may request that the enhancements or new functionality be incorporated into the E-mHUB System. Upon such request by the COUNTY, CONTRACTOR shall provide COUNTY with a written proposal in accordance with Subparagraph 5.32 of the Agreement. CONTRACTOR's written proposal pursuant to Subparagraph 5.32 of the Agreement shall include costs applicable only to implementing the new functionality within the E-mHUB System and shall not include any developmental costs. The obligations of CONTRACTOR, as set forth in this paragraph, shall also apply to any enhancements or new functionality which is later added to an E-mHUB product delivered to a new customer.

## **II. VERSION RELEASES AND SUPPORT**

In addition to CONTRACTOR's obligation to provide and support Updates as described above, should CONTRACTOR determine that an Update (or accumulation of Updates) or other major modifications to the E-mHUB System are significant enough as to necessitate assigning a new and unique version name or number to the System Software ("Version Release"), CONTRACTOR shall install and support any such new Version Release(s) as a part of Operations and Maintenance Services, at no additional cost to COUNTY over and above what the COUNTY may have already paid for Additional Work that may be a component of such Version Releases. CONTRACTOR shall provide the same Operations and Maintenance Services for the then current Version Release as for all prior Version Releases. In the event that the Production Environment and Test Environment are not running on the same Version Release, CONTRACTOR shall support both environments.

CONTRACTOR shall test the compatibility of all Version Releases in an acceptable Test Environment to validate and demonstrate the viability of the Version Release with all impacted System Software and/or Third Party Software. Unless otherwise instructed by the COUNTY in writing, CONTRACTOR shall thereafter immediately implement and place into production all such new Version Releases. Should COUNTY instruct CONTRACTOR to delay immediate implementation and placement into production of any Version Release, installation of such Version Release shall be performed on a date and at a time mutually agreed upon by both COUNTY and CONTRACTOR.

Additionally, CONTRACTOR shall provide to COUNTY all Documentation relating to Version Releases within 30 Days after the creation thereof.

## **III. THIRD PARTY SOFTWARE**

CONTRACTOR shall provide ongoing maintenance of the E-mHUB System's compatibility with Third Party Software as described in Attachment A.3.1-1. The ISD Host Site will be responsible for maintenance and support of OS, SQL, security/virus, and VPN.

Without limiting the foregoing, CONTRACTOR shall be responsible for:

1. Installing and integrating patches and/or upgrades for Third Party Software that COUNTY may need to acquire for supporting additional hardware purchases (e.g., Kofax) and/or Custom Modifications to the E-mHUB System;
2. Troubleshooting issues that trace back, in whole or in part, to Third Party Software; and
3. Alerting COUNTY when Third Party Software upgrades are required. COUNTY may use Pool Dollars to purchase the upgrades.

COUNTY will reasonably determine whether maintenance requirements related to Third Party Software is the responsibility of the CONTRACTOR or COUNTY.

CONTRACTOR shall collaborate with COUNTY on ISD Host Site supported software. COUNTY will coordinate with the CONTRACTOR to test the E-mHUB System when the ISD Host Site installs patches or upgrades that may affect E-mHUB System operations. Such testing shall be included as part of routine Operations and Maintenance Services at no additional cost to COUNTY.

Prior to the installation of any Updates, future Interfaces or new Version Releases to the E-mHUB System, CONTRACTOR shall test the compatibility of same in an acceptable Test Environment to validate and demonstrate the viability of the change with all impacted System Software and/or Third Party Software before seeking authorization from the COUNTY's Project Manager to install the Update, Interface or Version Release into the Production Environment.

#### **IV. HOSTING SUPPORT**

##### **A. Hardware Maintenance**

Without limiting CONTRACTOR's obligations under the Agreement, including but not limited to Subparagraph 10.3.11, and Deliverable 11.2 (E-mHUB System Certified on ISD Host Site Hardware) of Exhibit A (Statement of Work), CONTRACTOR shall inform COUNTY of any performance problems related to System Hardware and recommend modifications needed to resolve such problems. CONTRACTOR shall work cooperatively with COUNTY to resolve all hardware issues.

##### **B. Performance**

Subject to provisions in Section VI (Problem Resolution) below, CONTRACTOR shall evaluate and report System performance relating to the agreed upon System performance warranty as set forth in Section VII (System Performance Warranty) below on a quarterly basis, or as

may be requested more frequently by the COUNTY, not to exceed two (2) requests per month.

CONTRACTOR shall log any identified Deficiencies, whether discovered and reported by CONTRACTOR or COUNTY, impacting the performance or operational integrity of the System or ISD Host Site within the CONTRACTOR's problem management system (PMS) and shall document all corrective action taken to correct the Deficiencies.

**C. Downtime**

**1. Unscheduled Downtime**

Unscheduled downtime ("Unscheduled Downtime") shall mean any time during which any User at any licensed site as set forth in Section 1 (E-mHUB System Licenses) of Attachment B.1 (Licenses), or any additional licensed site as may be acquired by COUNTY, cannot use the System. Unscheduled Downtime does not include Scheduled Downtime. Measurement of Unscheduled Downtime begins when COUNTY notifies CONTRACTOR of the existence of Unscheduled Downtime. CONTRACTOR will immediately issue and log a "Problem Management" (PM) ticket upon confirmation of any Unscheduled Downtime condition. Unscheduled Downtime ends when the COUNTY reasonably determines that the System is operational and restored for User access.

If COUNTY, in its sole discretion, later determines that the Unscheduled Downtime resulted solely from a failure of the System Hardware and/or the COUNTY supported network, and is not attributable in any way to the System Software, CONTRACTOR shall not be held responsible for such Unscheduled Downtime.

**2. Scheduled Downtime**

Scheduled downtime ("Scheduled Downtime") shall mean all time that the System cannot be accessed due to scheduled maintenance including, but not limited to, preventative maintenance, installation of Updates, patches, and hardware upgrades, scheduled reboots and restarts. CONTRACTOR shall work with COUNTY to determine mutually agreeable times for Scheduled Downtime.

**D. System Backup and Disaster Recovery**

The ISD Host Site will provide CONTRACTOR with its disaster recovery procedures. Based on the ISD Host Site plan, CONTRACTOR shall establish procedures to follow in the event of a disaster and submit to COUNTY Project Manager for written approval. CONTRACTOR shall collaborate with COUNTY on disaster recovery efforts as necessary. CONTRACTOR, at the discretion of COUNTY, may be required to participate in disaster recovery activities on-site.



Disaster tests shall be performed minimally once a year, or as requested by COUNTY and agreed to by CONTRACTOR, but not to exceed twice a year.

**V. SYSTEM SUPPORT**

CONTRACTOR shall provide continuous Operations and Maintenance Services during the support hours, as set forth in Section VI A below, including, without limitation, through a customer support center. Such operational support shall include support services to correct any problems and to remedy Deficiencies in such a way that the System shall operate in accordance with the Requirements and Specifications, including the functional Requirements and System performance Requirements.

**VI. PROBLEM RESOLUTION**

**A. Identification of Deficiencies**

The Deficiencies under this Agreement may be identified either as a result of CONTRACTOR's use of its RMPT or as discovered by COUNTY or CONTRACTOR. Upon discovery of a Deficiency by COUNTY, COUNTY will report the Deficiency to CONTRACTOR for resolution in accordance with this Exhibit C.

COUNTY will report any discovered System Deficiencies to CONTRACTOR's customer support center during support hours via telephone at (800) 519-8949 or as otherwise agreed upon by COUNTY and CONTRACTOR in writing. CONTRACTOR shall provide 24/7 support that includes, at a minimum, maintaining a staffed customer support center during the business hours of 7:00 a.m. to 6:00 p.m. PT, Monday through Friday excluding COUNTY designated holidays. During non-business hours, CONTRACTOR shall have a business process in place, as agreed to by COUNTY in writing, to address and resolve all Deficiencies within the resolution time requirements, as set forth in Section B below.

Should CONTRACTOR identify or otherwise become aware of any Deficiency of which it has reason to believe COUNTY is not aware, CONTRACTOR shall immediately inform COUNTY's Project Manager during normal business hours, as stated above, of the existence of such Deficiency and shall advise COUNTY as to what actions it has taken or plans to take to remedy it.

**B. Priority Level Deficiencies**

COUNTY, in its sole discretion, will assign one of the priority levels specified below to each incident of Deficiency reported by COUNTY to CONTRACTOR's customer support center and/or entered in CONTRACTOR's PMS. COUNTY will investigate each Deficiency and determine whether such Deficiency resulted solely from a failure of the COUNTY supported network. CONTRACTOR shall not be responsible for Deficiencies where COUNTY reasonably determines that the cause of the Deficiency was not the fault of the CONTRACTOR. As to all

**EXHIBIT C-1 – SERVICE LEVEL REQUIREMENTS**

other Deficiencies, CONTRACTOR shall resolve each documented Deficiency within the resolution time as specified below. Resolution times shall start tolling either when (i) COUNTY notifies CONTRACTOR of a Deficiency by telephone or otherwise, including CONTRACTOR's customer support center, or (ii) CONTRACTOR enters the Deficiency in the PMS, whichever is earlier, and shall end when CONTRACTOR notifies COUNTY, and COUNTY reasonably determines that the Deficiency has been resolved. In the event that COUNTY later determines that the Deficiency was not the fault of the CONTRACTOR, the CONTRACTOR shall not be held responsible and no Credits will be assessed.

<b>PRIORITY</b>	<b>DESCRIPTION OF DEFICIENCY</b>	<b>RESOLUTION TIME REQUIREMENT (SUBJECT TO ESCALATION BY COUNTY)</b>
<b>LEVEL 1</b>	Widespread System unavailability; and/or. Production Environment of the System is experiencing Unscheduled Downtime; and/or the E-mHUB System is completely or functionally inoperable (e.g., extremely slow System response times); and/or a major operational impact on COUNTY has occurred, potentially posing a risk to patient care.	Four (4) business hours
<b>LEVEL 2</b>	A problem that severely degrades performance of any System component, and/or restricts the use of one or more features of the E-mHUB System to perform business functions but does not completely restrict usage of the E-mHUB System (e.g., unacceptable System response time, intrusion-related problems); and/or Users can use Application Software, but an important function of Application Software is not available; and/or operations are severely impacted, potentially posing a risk to patient care.	Eight (8) business hours
<b>LEVEL 3</b>	A problem that causes only a minor impact on the use of the E-mHUB System or its performance. The problem can be easily circumvented, but causes some functional restrictions. It does not have a critical or severe impact on operations or patient care.	One (1) week
<b>LEVEL 4</b>	A low impact problem that is not significant to operations, but is a functional issue or creates some unacceptable conditions(s) or potential for error.	As mutually agreed upon by COUNTY and CONTRACTOR

**C. Resolution of Deficiencies**

**1. Resolution Process**

The following shall be the process for tracking and/or resolving Deficiencies:

- a. CONTRACTOR shall utilize its own PMS for Deficiency reporting and tracking;
- b. COUNTY will identify COUNTY staff authorized to access and initiate incident reports/service requests. COUNTY will notify CONTRACTOR in writing of all such authorized personnel;
- c. For any Deficiency reported by COUNTY or discovered by CONTRACTOR, CONTRACTOR shall immediately, no later than within one (1) hour of discovery, commence corrective action. CONTRACTOR shall correct all Deficiencies within the resolution times as specified in Section B. (Priority Level Deficiencies) above;
- d. CONTRACTOR shall commence to develop a workaround or a fix, if applicable, and maintain a sustained level of effort until such workaround or fix is available; and
- e. CONTRACTOR shall address each reported or identified incident in accordance with this exhibit.

**2. Escalation**

Without limiting COUNTY's rights, as set forth in the Agreement and this exhibit, including but not limited to COUNTY's right to assess credits against CONTRACTOR, COUNTY or CONTRACTOR may escalate a Deficiency's priority level as necessary for resolution. CONTRACTOR shall assist COUNTY with all aspects of Deficiency resolution and escalation, as required by COUNTY.

If a priority level Deficiency is not resolved within the applicable resolution time set forth in Section IV.B (Priority Level Deficiencies), in addition to other remedies available to COUNTY, CONTRACTOR shall escalate the problem to the next higher level of technical support within CONTRACTOR's organization. COUNTY may also, at any time, escalate any priority level Deficiency within CONTRACTOR's organization.

**3. Resolution**

CONTRACTOR shall assign a CONTRACTOR technical support team member to diagnose and determine the course of action to resolve Deficiencies. CONTRACTOR shall maintain ongoing communication with COUNTY regarding the status of correction of all Deficiencies reported or discovered. In addition, COUNTY may

contact CONTRACTOR personnel to inquire about the status of resolution of any priority level Deficiency.

COUNTY will have appropriate resources available throughout the duration of each Deficiency to provide reasonable cooperation and assistance to CONTRACTOR and will authorize immediate administrative rights, including but not limited to a local administrative account on the device being worked on, and network administrative access, up to potentially domain administrative privileges and any other necessary access to devices or facilities that would help troubleshoot the issue at hand.

## VII. SYSTEM PERFORMANCE WARRANTY

CONTRACTOR represents, warrants, covenants, and agrees that, throughout the term of the Agreement, the System shall meet the System performance Requirements specified as follows:

### A. System Availability Warranty

The System shall be available 99.9% of the time during any given month. System availability for a given month is measured using the following formula:

$$(1 - \text{Minute of Unscheduled Downtime} / \text{Total Number of Minutes in Month}) \times 100\%$$

All time shall be measured in one-minute increments with fractions truncated. One month shall be defined as a calendar month. For purposes of the System availability warranty, a 31-day month has 44,640 minutes, a 30-day month has 43,200 minutes, a 29-day month has 41,760, and a 28-day month has 40,320 minutes.

### B. System Response Time Warranty

The System shall:

1. Deliver a selected patient record in five (5) seconds or less, on average, as measured over a sixty (60) minute period, from the time a User selects a patient record from the search screen;
2. Deliver the System response time of the WUI in ten (10) seconds or less, on average, as measured over a sixty (60) minute period, from the time a User navigates from one screen to another or saves a record and continues to work in the System;
3. Deliver the System response time of a medical provider approving a 561(a) form(s), as set forth in Requirements 93 through 103 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in one (1) minute or less, on average, per 561(a) form, as measured per day;
4. Deliver the System response time of an incoming DCFS electronic referral, as set forth in Requirements 155 through 167 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in two (2) minutes or less, on average, as measured per day;

## EXHIBIT C-1 – SERVICE LEVEL REQUIREMENTS

5. Deliver the System response time of an “Appointment Status” notification, as set forth in Requirements 252 through 254 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in twenty (20) seconds or less, on average, per notification, as measured per day;
6. Deliver the System response time of generating Medical Hub statistical report(s), as set forth in Requirements 265 through 266 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in five (5) minutes or less, on average, for every month of data when reports are run within the mutually agreed upon reporting cycle, as measured per day;
7. Deliver the System response time of generating enterprise statistical report(s), as set forth in Requirements 268 through 269 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in ten (10) minutes or less, on average, per every month of data when reports are run within the mutually agreed upon reporting cycle, as measured per day;
8. Deliver the System response time of the System displaying the scanned CalEMA document package on the WUI upon the completion of Requirements 339 through 340 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in twenty (20) seconds or less, on average, per CalEMA document package, as measured per day; and
9. Deliver the System response time of processing the quality assured CalEMA document package(s), as set forth in Requirements 341 through 348 of Attachment A.2 (Additional System Requirements (Baseline Application Modifications)), in one (1) minute or less, on average, per PDF document package or in multiples of the number of CalEMA document packages processed, as measured per day.

System response time will be measured exclusive of reporting services impacting System resources. COUNTY, in its sole discretion, will determine whether either of the following conditions exist, in which case the System response time warranty will not apply and Credits will not be assessed:

- a. The System is undergoing an Acceptance Test or other System test agreed to by the parties, disaster recovery, or other non-operational System condition; and
- b. Any Unscheduled Downtime resulted solely from a failure of the System Hardware, Operating Systems Software, the COUNTY supported environment, and/or Third Party Software that has not been approved by CONTRACTOR. In all cases, CONTRACTOR shall work closely with the ISD Host Site to provide assistance in the identification of the cause of the Deficiency and the correction of the System Hardware/Software infrastructure for the full resumption of the E-mHUB System.

## EXHIBIT C-1 – SERVICE LEVEL REQUIREMENTS

The System response time warranty shall apply for up to 300 concurrent E-mHUB Users. As used herein, the term "concurrent users" means the identified number of Users logged onto the System simultaneously under normal operational conditions as defined by that User's role as set forth in A.2.2 – (Role-Based Access and Responsibilities Matrix for DHS Medical Hubs and DCFS)

In the event that the System does not satisfy the System response time warranty, CONTRACTOR shall immediately commence System diagnostics upon receiving notice from COUNTY of System performance issues, and shall treat the issue as a critical support issue. CONTRACTOR shall provide sustained efforts to resolve all critical issues. If the System is not remedied to satisfy the System response time warranty within five (5) days (i.e., 120 hours), the System shall be considered to be experiencing Unscheduled Downtime for purposes of the System availability warranty and assessment of Credits.

### VIII. REMEDIES AND CREDITS

CONTRACTOR's failure to correct priority level Deficiencies within the applicable prescribed resolution time Requirement set forth in Section VII.B (Priority Level Deficiencies) or to meet the System availability warranty and System response time warranty specified above shall entitle COUNTY to the remedies set forth below.

#### A. System Availability Deficiencies

In the event that CONTRACTOR is unable to meet the System availability warranty as set forth in Section VII.A (System Availability Warranty) in any particular month, COUNTY is entitled to Credits and CONTRACTOR shall discount the applicable Operations and Maintenance Fees as follows:

SYSTEM AVAILABILITY / MONTH	HOURLY UNSCHEDULED DOWNTIME RANGE / MONTH	CREDIT PERCENTAGE
$98.9\% \leq x < 100\%$	0:00 – 8:00 hours	None
$97.9\% \leq x < 98.9\%$	8:01 – 15:00 hours	5%
$95.9\% \leq x < 97.9\%$	15:01 – 29:00 hours	15%
$93.9\% \leq x < 95.9\%$	29:01 – 44:00 hours	35%
$91.9\% \leq x < 93.9\%$	44:01 – 58:00 hours	45%
$89.9\% \leq x < 91.9\%$	58:01 – 72:00 hours	50%
$87.9\% \leq x < 89.9\%$	72:01 – 87:00 hours	60%
$85.9\% \leq x < 87.9\%$	87:01 – 101:00 hours	75%
$x < 85.9\%$	Beyond 101:00 hours	Fee Waived for that Month

**B. System Response Time Deficiencies and Credits**

In the event that CONTRACTOR is unable to meet the System Response Time warranty specified in Section VII.B (System Response Time Warranty) in any particular month, COUNTY will be entitled to Credits. The Credits shall be calculated in accordance with Section IX.A (System Availability Deficiencies).

**C. Priority Level Deficiencies**

Without limiting COUNTY's rights, as set forth in the Agreement and this exhibit, including but not limited to COUNTY's right to assess credits against CONTRACTOR, in the event that CONTRACTOR fails to correct a priority level Deficiency within the resolution time requirements set forth in Section VII.B (Priority Level Deficiencies) above, COUNTY may immediately escalate the Deficiency to the highest level of support within CONTRACTOR's organization.

## EXHIBIT O – INFORMATION SECURITY REQUIREMENTS

This Exhibit sets forth information security procedures to be established by Contractor before the effective date of this Agreement and maintained throughout the term of the Agreement. These procedures are in addition to the requirements of the Agreement and the Business Associate Agreement between the parties. They present a minimum standard only. However, it is Contractor's sole obligation to (i) implement appropriate measures to secure its systems and data, including Personally Identifiable Information (PII), Protected Health Information (PHI), and County Confidential Information, against internal and external threats and risks; and (ii) continuously review and revise those measures to address ongoing threats and risks. Failure to comply with the minimum standards set forth in this Exhibit will constitute a material, non-curable breach of the Agreement by Contractor, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under the Agreement, to immediately terminate the Agreement. Unless specifically defined in this Exhibit, capitalized terms shall have the meanings set forth in the Agreement.

1. **Security Policy.** Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards and procedures (collectively "**Information Security Policy**"). The Information Security Policy will be communicated to all Contractor personnel and subcontractors in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks. Contractor shall make the Information Security Policy available for County review.
2. **Personnel and Contractor Protections.** Contractor shall screen and conduct background checks on all personnel contacting County Confidential Information, including Personally Identifiable Information and Protected Health Information, for potential security risks and require all employees, and subcontractors to sign an appropriate written confidentiality/non-disclosure agreement. All agreements with third parties involving access to Contractor's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls, and procedures for information systems. Contractor shall supply each of its personnel and subcontractors with appropriate, ongoing training regarding information security procedures, risks, and threats. Contractor shall have an established set of procedures to ensure personnel and subcontractors promptly report actual and/or suspected breaches of security.
3. **Removable Media.** Except in the context of Contractor's routine back-ups or as otherwise specifically authorized by County in writing, Contractor shall institute strict physical and logical security controls to prevent transfer of Personally Identifiable Information and Protected Health Information to any form of Removable Media. For purposes of this Exhibit, "**Removable Media**" means portable or removable hard disks, floppy disks, USB memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., Secure Digital (SD), Memory Sticks (MS), CompactFlash (CF), SmartMedia (SM), MultiMediaCard (MMC), and xD-Picture Card (xD)), magnetic tape, and all other removable data storage media.
4. **Storage, Transmission, and Destruction of Protected Health Information.** All Protected Health Information shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals in accordance with HIPAA, as amended and supplemented by the HITECH Act. Without limiting the generality of the foregoing, Contractor will encrypt all electronic Protected Health Information (stored and during transmission) in accordance



## EXHIBIT O – INFORMATION SECURITY REQUIREMENTS

with HIPAA and the HITECH Act, as implemented by the U.S. Department of Health and Human Services. If Protected Health Information is no longer required to be retained by Contractor under the Agreement and applicable law, Contractor shall destroy such PHI by (a) shredding or otherwise destroying paper, film, or other hard copy media so that the Protected Health Information cannot be read or otherwise cannot be reconstructed; and (b) clearing, purging, or destroying electronic media containing Protected Health Information consistent with NIST Special Publication 800-88, Guidelines for Media Sanitization<sup>1</sup> such that the Protected Health Information cannot be retrieved. Contractor shall use secure technology to protect County Data, PII and other Confidential Information of County and the users of the System in its storage and transmission between the user and the hosting environment which shall include the following: (a) Industry standard products to protect customer data when transmitting across public networks, including 128/256-bit Secure Socket Layer (“SSL”) certificates signed by mutually agreed upon certificate authority and 168 bit Triple Data Encryption Standard (“DES”) Internet Protocol Security (“IPsec”) VPN connections; and (b) a network structure protected by redundant clustered firewalls and monitored with intrusion prevention systems. All security systems shall be from leading security industry vendors, implemented in conjunction with Contractor’s third-party security firms, and validated by Contractor’s separate third party vulnerability/penetration testing firms. The firewall logs shall be reviewed weekly and analyzed proactively by enterprise security management systems to identify security threats.

5. **Data Control; Media Disposal and Servicing.** Subject to and without limiting the requirements under Section 4 (Storage, Transmission and Destruction of Protected Health Information), Personally Identifiable Information, Protected Health Information, and County Confidential Information (i) may only be made available and accessible to those parties explicitly authorized under the Agreement or otherwise expressly approved by County in writing; (ii) if transferred across the Internet, any wireless network (e.g., cellular, 802.11x, or similar technology), or other public or shared networks, must be protected using appropriate encryption technology as designated or approved by County in writing; and (iii) if transferred using Removable Media (as defined above) must be sent via a bonded courier or protected using encryption technology designated or approved by County in writing. The foregoing requirements shall apply to back-up data stored by Contractor at off-site facilities. In the event any hardware, storage media, or Removable Media must be disposed of or sent off-site for servicing, Contractor shall ensure all County Confidential Information, including Personally Identifiable Information and Protected Health Information, has been cleared, purged, or scrubbed from such hardware and/or media using industry best practices (e.g., NIST Special Publication 800-88, Guidelines for Media Sanitization<sup>2</sup>).
6. **Hardware Return.** Upon termination or expiration of the Agreement or at any time upon County’s request, Contractor will return all hardware, if any, provided by County containing Personally Identifiable Information, Protected Health Information, or County Confidential Information to County. The Personally Identifiable Information, Protected Health Information, and County Confidential Information shall not be removed or altered in any way. The hardware should be physically sealed and returned via a bonded courier or as otherwise directed by County. In the event the hardware containing County Confidential Information or Personally Identifiable Information is owned by Contractor or a third-party,

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<sup>1</sup> Available at <http://www.csrc.nist.gov>

<sup>2</sup> Available at <http://www.csrc.nist.gov>

## EXHIBIT O – INFORMATION SECURITY REQUIREMENTS

a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction, and the company or individual who performed the destruction will be sent to a designated County security representative within fifteen (15) days of termination or expiration of the Agreement or at any time upon County's request. Contractor's destruction or erasure of Personally Identifiable Information and Protected Health Information pursuant to this Section shall be in compliance with industry Best Practices (e.g., NIST Special Publication 800-88, Guidelines for Media Sanitization<sup>3</sup>).

7. **Physical and Environmental Security.** Contractor facilities that process Personally Identifiable Information, Protected Health Information, or County Confidential Information will be housed in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.
8. **Communications and Operational Management.** Contractor shall (i) monitor and manage all of its information processing facilities, including, without limitation, implementing operational procedures, change management and incident response procedures; and (ii) deploy adequate anti-viral software and adequate back-up facilities to ensure essential business information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures will be adequately documented and designed to protect information, computer media, and data from theft and unauthorized access.
9. **Access Control.** Contractor shall implement formal procedures to control access to its systems, services, and data, including, but not limited to, user account management procedures and the following controls:
  - a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of properly configured firewalls;
  - b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, authentication, authorization, and event logging;
  - c. Applications will include access control to limit user access to information and application system functions; and
  - d. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Contractor shall record, review and act upon all events in accordance with incident response policies set forth below.
10. **Security Incident.** A "Security Incident" shall have the meaning given to such term in 45 C.F.R. § 164.304.
  - a. Contractor will promptly notify (but in no event more than twenty-four (24) hours after the detection of a Security Incident) the designated County security contact by telephone and subsequently via written letter of any potential or actual security attacks or Security Incidents.

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<sup>3</sup> Available at <http://www.csrc.nist.gov>

## EXHIBIT O – INFORMATION SECURITY REQUIREMENTS

- b. The notice shall include the approximate date and time of the occurrence and a summary of the relevant facts, including a description of measures being taken to address the occurrence. A Security Incident includes instances in which internal personnel access systems in excess of their user rights or use the systems inappropriately.
  - c. Contractor will provide a monthly report of all Security Incidents noting the actions taken. This will be provided via a written letter to the County security representative on or before the first (1st) week of each calendar month. County or its third-party designee may, but is not obligated, perform audits and security tests of Contractor's environment that may include, but are not limited to, interviews of relevant personnel, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of Personally Identifiable Information, Protected Health Information, and County Confidential Information.
  - d. In the event County desires to conduct an unannounced penetration test, County shall provide contemporaneous notice to Contractor's Vice President of Audit, or such equivalent position. Any of County's regulators shall have the same right upon request. Contractor shall provide all information reasonably requested by County in connection with any such audits and shall provide reasonable access and assistance to County or its regulators upon request. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes. County reserves the right to view, upon request, any original security reports that Contractor has undertaken on its behalf to assess Contractor's own network security. If requested, copies of these reports will be sent via bonded courier to the County security contact. Contractor will notify County of any new assessments.
11. **Risk Assessment:** Contractors shall conduct an accurate and thorough assessment of the risk and vulnerabilities to the confidentiality, integrity and availability of electronic protected health held by the County consistent with NIST Special Publication 800-30 rev 1, Guide for Conducting Risk Assessment. Contractor shall document risk, review risk assessment results and update risk assessment at least every three years or upon significant change to the system.
12. **Contractor Self Audit.** Contractor will provide to County a summary of: (1) the results of any security audits, security reviews, or other relevant audits listed below, conducted by Contractor or a third-party; and (2) the corrective actions or modifications, if any, Contractor will implement in response to such audits.

Relevant audits conducted by Contractor as of the effective date include:

- (i) **External Audit** – Audit conducted by non-Contractor personnel, to assess Contractor's level of compliance to applicable regulations, standards, and contractual requirements.
- (ii) **Internal Audit** – Audit conducted by qualified Contractor personnel (or contracted designee) not responsible for the area of review, of Contractor organizations, operations, processes, and procedures, to assess compliance to and effectiveness of Contractor's Quality System ("CQS") in support of applicable regulations, standards, and requirements.

## EXHIBIT O – INFORMATION SECURITY REQUIREMENTS

- (iii) **Supplier Audit** – Quality audit conducted by qualified Contractor personnel (or contracted designee) of product and service suppliers contracted by Contractor for internal or Contractor client use.
- (iv) **Detailed findings**- are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above.

13.

## **EXHIBIT P**

### **COUNTY-APPROVED CONTRACTOR ENTITIES AND COUNTRIES**

This Exhibit P (County-Approved Contractor Entities and Countries) is an attachment and addition to the Agreement by and between the County of Los Angeles and Contractor dated for reference purposes as of the Effective Date (the “**Agreement**”) entered into by and between the **County** and **Contractor** and is incorporated into the Agreement by reference hereof. Unless specifically defined in this Exhibit, capitalized terms shall have the meanings set forth in the Agreement.

1. **County-Approved Entities.** As provided in Sub-Paragraph 13.39 (Subcontracting) of the Agreement, unless specifically authorized by County as provided in the Agreement, Contractor shall perform the obligations described in this Agreement and in the Statement of Work itself, and through the following direct wholly-owned subsidiaries:
  - (a) SAGA Technologies, Inc.
  - (b) Livechain Harbin, China
2. **County-Approved Entities and Countries.** As provided in Section 13.60 (No Offshore Work) of the Agreement, Contractor warrants that it will not transmit or make available any of County’s Confidential Information, County’s intellectual property or any County Data to any entity or individual outside the United States without prior written County approval of such transmittal to an entity or person outside of the United States and the means and purpose of such transmittal. County has approved transmittal of such information to the entities in Section 1 (County-Approved Entities) of this Exhibit while operating in the following countries:
  - (a) People’s Republic of China